October 6, 2009

A/Minister
Department of Aboriginal and Northern Affairs
344-450 Broadway Avenue
Winnipeg, Manitoba R3C 0V8

Dear Acting Minister:

I am pleased to provide you the 2009 Aboriginal and Northern Affairs Capital Approval Board Report. The board convened at the Canad Inn, Polo Park on September 22, 23, and 24th, 2009.

This report includes:

1. Minutes of the meeting
2. List of recommended projects for delivery in 20011/12
3. List of continuous improvement recommendations

This year the normal process of assessing all projects was not followed due to the introduction of the Loan Authority Act to access capital funding, the set aside for Incorporated communities and the advance announcement of some projects through the Building Canada Fund (BCF). The BCF funded projects were approved as previously announced. The board did consider the balance of the projects and recommended a total of $12,043,127.00 for delivery in 2011/2012.

This amount exceeds the notional funding allocation however the board felt that the Barrows Water Treatment Plant project is a priority given that it rated very high and it will serve the residents of Barrows and the surrounding communities of Red Deer Lake, National Mills, and Powell. The department could either extend the Loan Authority Act allocation or use the funds set aside for the Incorporated communities to deliver the Barrows Water Treatment Plant.

The board has agreed with the approach presented by the department that the department approve the projects in the Legislative Category (70% of the total allocation) given the BCF program and the escalating costs of water and sewer treatment facilities. The board acknowledged the benefits associated with the recommendation which will reduce administrative work, allow for financial savings and continuous community involvement, and yet maintain the principles of the Capital Program. The board will still be provided the departments 5 year capital plan for Legislative Category projects.

As well the board recommends that the department use the same criteria and assessment mechanisms to approve the projects for Incorporated Communities with the $1,000,000.00 funding set aside for that purpose and provide a report to the board on the outcome of this by January 2010.

In closing, I would like to thank you for the opportunity to work with the board members and departmental staff.

Yours truly,

Judy Head

Judy Head, Chair
Capital Approval Board.

Enc.

cc. Board Members

Capital Approval Board Report

September 2009

Membership 2009 CAPITAL APPROVAL BOARD

Judy Head
Chairperson
P.O. Box 2532
The Pas MB R9A 1M3

Reg Meade
Northern Association of Community Councils Inc.
750-331 Smith Street
Winnipeg MB R3B 2G9

Eastern Representative
Jeff Ashley, Councillor
Dauphin River Community Council
c/o Gypsumville MB P.O.
Gypsumville, MB R0C 1J0

Western Representative
Alfred Morrisseau, Mayor
Crane River Community Council
General Delivery
Crane River, MB R0L 0M0

Northern Representative
Dennis Buck, Councillor
Moose Lake Community Council
General Delivery
Moose Lake MB R0B 0Y0

Departmental Representatives
Cory Young
Acting Director
Box 27 - 59 Elizabeth Drive
Thompson MB R8N 1X4

Armand Barbeau
Acting Director
27-2nd Ave S.W. (Box 15)
Dauphin MB R7A 3E5

Alternate
Allan Atlookan, Councillor
Berens River Community Council
Box 129
Berens River, MB R0B 0A0

Alternate
Louie Genaille, Councillor
Duck Bay Community Council
Box 39
Duck Bay, MB R0L 0N0

Alternate
Nick Benyk, Mayor
Sherridon Community Council
General Delivery
Sherridon MB R0B 1L0

Vanessa Nedd
Manager, Technical &
Public Works
Box 27 - 59 Elizabeth Drive
Thompson MB R8N 1X4

Randy Sigurdson
Manager, Technical and
Environmental Services
27-2nd Ave S.W. (Box 15)
Dauphin MB R7A 3E5

Capital Approval Board Report

September 2009

Section I
Project Assessment

Section II
Minutes

Section III
Funding

Section IV
Recommended Projects

Section I

Project Assessment

Category I - Legislative Requirements

NORTHERN REGION					
	COMMUNITY	PROJECT	COST	SCORE	COMMENTS
508-1	Brochet	Waste Disposal Site	$735,200.00	40	
508-2	Brochet	Bulk Fuel Storage Tank	$44,300.00	45	
510-1	Cormorant	Aeration Plant North STP	$1,500,000.00	25	
520-1	Gods Lake Narrows	Waste Water Treatment Plant	$1,810,000.00	30	
536-1	Nelson House	Sewage Plant	$933,200.00	0	Department to consider (Incorporated Community)
	Norway House	Water & Sewer Main Renewal	$1,900,000.00	*	Recommended
		Total	$6,922,700.00		

NORTH CENTRAL REGION					
	COMMUNITY	PROJECT	COST	SCORE	COMMENTS
503-1	Barrows	WTP Upgrade	$1,515,564.00	70	Recommended
504-1	Berens River	WTP Upgrade (South Side)	$2,019,000.00	*	Recommended
506-1	Bisset	Water & Sewer Replacement	$2,643,370.00	45	
515-2	Duck Bay	Water & Sewer Replacement (Phase II)	$1,155,000.00	45	
518-1	Island Lake	WTP Upgrade	$2,903,300.00	*	Recommended
531-1	Mallard	Sewage Treatment Plant	$1,243,500.00	55	
542-1	Pine Dock	WTP Upgrade	$1,036,900.00	*	Recommended
556-1	Spence Lake	Waste Disposal Site	$689,100.00	25	
		Total	$13,205,734.00		

*** Announced through Building Canada Fund**

Category II - Maintaining Existing Infrastructure

NORTHERN REGION					
Maintain/Replace Existing					
	COMMUNITY	PROJECT	COST	SCORE	COMMENTS
513-1	Cross Lake	Fire Hall and Administration Buildings Project	$913,000.00	20	
553-1	Sherridon	Bridge Replacement	$793,400.00	30	
558-1	Wabowden	Recreation Centre Upgrade	$1,500,000.00	*	Recommended
558-2	Wabowden	Upgrade Baseball Diamond, Canteen Picnic Area	$43,300.00	0	Incomplete Application
558-3	Wabowden	Playground Upgrade	$108,200.00	0	Incomplete Application
		Total	$3,357,900.00		

NORTH CENTRAL REGION					
Maintain/Replace Existing					
	COMMUNITY	PROJECT	COST	SCORE	COMMENTS
503-2	Barrows	Regional Administrative Building	$573,100.00	30	
507-1	Camperville	Fire Hall Upgrade	$211,700.00	35	
514-1	Dallas/Red Rose	New Hall Furnace	$35,000.00	0	Incomplete Application
501-3	Dauphin River	Metal Roofing in Community Buildings	$18,000.00	25	
515-1	Duck Bay	New Administration Building	$573,100.00	35	
599-3	Seymourville	Recreation Centre Addition	$61,908.00	0	Dept to consider (Incorporated Community)
		Total	$1,472,808.00		

Category III - New Infrastructure

NORTHERN REGION					
New Infrastructure					
	COMMUNITY	PROJECT	COST	SCORE	COMMENTS
510-2	Cormorant	Refuse Compactor	$145,900.00	0	Not Assessed *
513-2	Cross Lake	Furnishings for Fire/Ambulance Hall and Administration Buildings Project	$48,300.00	0	Building Project not approved yet
523-1	Herb Lake Landing	Fleetnet Radio Communication System	$6,000.00	0	Deferred - Dept 911 Plan Forthcoming
523-2	Herb Lake Landing	Community Mini Tanker (Sewer)	$25,000.00	0	Not Assessed *
523-3	Herb Lake Landing	Community Tractor with Attachments	$70,000.00	0	Majority of Defined purpose not Municipal services
		Total	$295,200.00		

NORTH CENTRAL REGION					
New Infrastructure					
	COMMUNITY	PROJECT	COST	SCORE	COMMENTS
503-3	Barrows	Regional Garbage Truck	$55,400.00	0	Not Assessed *
503-4	Barrows	3 Bay Garage	$481,400.00	0	Not Assessed *
503-5	Barrows	Regional Water Delivery Truck	$121,700.00	0	Not Assessed *
503-6	Barrows	Regional Septic Truck	$110,400.00	0	Not Assessed *
501-2	Dauphin River	New Garbage Truck	$149,049.00	0	Not Assessed *
524-1	Homebrook	Administration Office	$229,850.00	40	Recommended
531-4	Mallard	Community Environmental Truck	$55,400.00	0	Not Assessed *
533-4	Matheson Island	Grader	$96,200.00	0	Not Assessed *
533-3	Matheson Island	Dump Truck	$40,533.00	0	Not Assessed *
533-2	Matheson Island	Garage	$153,713.00	40	Recommended
548-1	Rock Ridge	New Tractor	$52,080.00	0	Not Assessed *
599-3	Seymourville	Public Works Vehicle	$39,580.00	0	Dept. to consider (Incorporated Community)
		Total	$1,585,305.00		

*** Requires Business Case, above vehicle replacement guidelines or not municipal service.**

Section II

Minutes

Capital Approval Board
Minutes
September 22-24, 2009

Canad Inns Polo Park, Winnipeg, MB

1. The meeting was called to order at 9:15am.

2. Board members were advised that to avoid conflict of interest issues, board members can be present for project presentation but must leave the room form the project assessment rating if the project is from their home community.

3. Board members were advised that as part of a departmental continuous improvement exercise, Albert Sandberg and Evelyn Dutka, Technical and Public Works Consultants were invited to attend as observers.

4. The following resource material was reviewed with board members by departmental staff:

   - Departmental Vision and Mission were reviewed
   - Agenda
   - Capital Program Policy
     - Board Principles
     - Project Criteria
     - Building Funding Principles
     - Surplus Funding and Carry Over Funding Principles
   - Definition of Municipal Services
   - Vehicle Replacement Policy
     - Vehicle Replacement Guidelines
   - Project Assessment Form
   - Allocation of funding for 2011/2012
   - Loan Act Authority
   - Recommendation for future Capital Boards

5. The Departmental Five-Year Capital Plan was presented by Vanessa Nedd and Randy Sigurdson

6. Board members agreed to using a sliding scale (0, 5, 10, 15) for the following questions found in the Need portion of the Project Assessment Form:

   a) Is it an emergency?
   b) Is there a legal liability?
   c) Has there been a prior commitment?

7. The Board agreed that a group rating method would be followed and decisions would be determined by a consensus of the members.

8. The Board assessed all projects submitted utilizing the project assessment form except the projects approved under the Building Canada Fund. Recommendations were made based on funding available and points assessed. Based on funding available, projects scoring over 35 points were recommended for approval.

Moved by Jeff Ashley: that the following recommendations are approved by the Minister.

Category #1 - Legislative		
Community	**Project**	**Amount**
Norway House	W & S	$1,900,000.00
Berens River	WTP	$2,019,000.00
Island Lake	WTP	$2,903,300.00
Pine Dock	WTP	$1,036,900.00
Barrows	WTP	$1,515,564.00
Category #2 – Maintaining Existing Infrastructure		
Community	**Project**	**Amount**
Wabowden	Recreation Centre Upgrade	$1,500,000.00
Camperville	Fire hall	$211,700.00
Duck Bay	Administration Building	$573,100.00
Category #3 – New Infrastructure		
Homebrook	Administration Building	$229,850.00
Matheson Island	Garage	$153,713.00
	Subtotal	**$12,043,127.00**
	Available	**$10,679,100.00**
	Balance	**($1,363,027.00)**

Seconded by Alfred Morrisseau

All in Favor

9. Once all projects were reviewed and assessed, the Board provided the following continuous improvement recommendations for the Department to consider:

   a) Encourage communities to input more documentation to support projects (pictures etc) for both the phased and projects requesting additional funding. The original applications should be included as well.

b) Department to develop outline for business cases and assist communities in completing them for all new infrastructure (particularly vehicles)

c) The department develops a form entitled **Project Screening Tabulation** and that it be attached to the application form with project submission to Board.

d) That a project Financial Summary sheet developed for the application.

e) That the use of Building Construction Association Sq Ft/Sq Meter estimates must be substantiate in submission.

f) Encourage applicable Departmental staff to be involved in Regional Screening and Capital Board meetings (e.g. MDC – contact community proposals)

g) The department provides the funding allocation available, program revisions or new processes to the board members at regional screening, or in advance of the regional screening.

h) Newly appointed Board Members receive an orientation on Capital Program and Capital Board System.

i) Department to further reduce the amount of deferred projects by working with communities to prepare applications "fit" for presentation.

10. The meeting was adjourned at 12:00 pm on September 24, 2009.

Section III

Funding Allocation

2011/2012 Allocation for Planning Purposes Only

The full year allocation as per the Loans Act is $10,679,100.00 and may be approved in any of the three categories as long as they do not go over the total yearly allocation.

Total Funds Available		**$10,679,100.00**
1. Legislative	-70%	$ 7,475,370.00
2. Maintain Existing Standards of Service	-20%	$ 2,135,820.00
3. New Justified Projects	-10%	$ 1,067,910.00
		$10,679,100.00

Funding is allocated as outlined above. If not all these funds are required during the year, these will be used for capital plans applying the approved criteria globally.

Monies set aside, in addition to the above	**$ 2,069,000.00**
Resource Roads	235,000.00
Incorporated Community Capital Grant	1,000,000.00
Studies	342,000.00
Surveys/Subdivisions	85,000.00
Infrastructure Audits	25,000.00
Capital Approval Board	22,500.00
Manitoba Rural Infrastructure Program Meetings	10,000.00
Water Treatment Plant Assessments	85,600.00
Water Treatment Plant Operating License Costs	9,000.00
Constable Vehicle Lease and Insurance	54,900.00
Emergencies	200,000.00
Total	**$2,069,000.00**

The % used for these categories has been evaluated this year and may vary for the future years depending on the analysis of the communities' five year plans.

Section IV

Recommended Projects

2009 Board Recommendations
2011/2012 Delivery

Category #1 - Legislative

Community	Project	Amount
Norway House	Water and Sewer Main Renewal	$1,900,000.00
Berens River	Water Treatment Plant	$2,019,000.00
Island Lake	Water Treatment Plant	$2,903,300.00
Pine Dock	Water Treatment Plant	$1,036,900.00
Barrows	Water Treatment Plant	$1,515,564.00

Category #2 – Maintaining Existing Infrastructure

Wabowden	Recreation Centre Upgrade	$1,500,000.00
Camperville	Fire Hall Upgrade	$211,700.00
Duck Bay	Administration Building	$573,100.00

Category #3 – New Infrastructure

Homebrook	Administration Building	$229,850.00
Matheson Island	Garage	$153,713.00

Subtotal	**$12,043,127.00**
Available	**$10,679,100.00**
Balance	**($1,363,027.00)**